Agency: Department of Defense (DoD)

- 1. <u>Authority</u>: The Secretary of Defense, pursuant to 5 C.F.R. § 532.227(a), as directed by 5 U.S.C. § 5343(c), and in accordance with the Federal Advisory Committee Act (FACA) of 1972 (5 U.S.C., Appendix, as amended) and 41 C.F.R. § 102-3.50(c), established the Department of Defense Wage Committee ("the Committee"), a discretionary advisory committee.
- 2. <u>Mission/Function</u>: The Committee, as directed by 5 C.F.R. §§ 532.209, 532.227 and 532.243, and the Office of Personnel Management Operating Manual, Federal Wage System, Appropriated and Non-Appropriated Funds, S3-2 Agency Level, provide the Secretary of Defense or the Deputy Secretary of Defense, through the Under Secretary of Defense for Personnel and Readiness (USD(P&R)), independent advice and recommendations on all matters relating to the conduct of wage surveys and the establishment of wage schedules for all appropriated fund and non-appropriated fund wage areas of blue-collar employees within the Department of Defense (DoD).
 - a. The Committee considers and makes recommendations to the DoD on any matter involved in developing specifications for a wage survey on which the DoD proposes not to accept the recommendations of a local wage survey committee and any matters on which a minority report has been filed;
 - b. Upon completion of a wage survey, the Committee considers the survey data, the local wage survey committee's report and recommendations, and the statistical analyses and proposed pay schedules derived from them, as well as any other data or recommendations pertinent to the survey, and recommends wage schedules to the pay-fixing authority; and
 - c. A majority of the Committee constitutes a decision and recommendation of the Committee, but a member of the minority may file a report with the Committee's recommendations.
- 3. <u>Points of View</u>: The Committee, pursuant to 5 C.F.R. § 532.227, is composed of five members, a chair and four additional members. One member shall be designated by each of the two labor organizations having the largest number of wage employees covered by exclusive recognition in the DoD. The other two members will have management backgrounds.

Those individuals representing the labor organizations are selected by the labor organizations to provide the committee with the points of view of nongovernment entities or a recognizable group of persons that have interests in the subject matter under consideration by the Committee. The Chair and the other two members are appointed to exercise their own individual best judgment on behalf of the government.

Committee members, who are not full-time or permanent part-time Federal officers or employees and who provide their own best independent judgment based on their individual expertise and on behalf of the Federal government, must be appointed as experts or consultants pursuant to 5 U.S.C. § 3109 to serve as special government employee (SGE)

members. Committee members who are full-time or permanent part-time Federal officers or employees must be appointed pursuant to 41 C.F.R. § 102-3.130(a) to serve as RGE members. Those who are not full-time or permanent part-time Federal officers or employees and are selected for the purpose of obtaining the point of view or perspective of an outside interest group or stakeholder interest must be appointed pursuant to 41 C.F.R. § 102-3.130(a) to serve as representative members.

The DoD, in selecting potential candidates for the Committee, reviews the educational and professional credentials of individuals and bases its selection on this review and the subject matters being handled by the Committee. The DoD has found that viewing the complex issues facing the DoD through a multidisciplinary advisory committee, provides the DoD and, more importantly, the American public with a broader understanding of the issues on which subsequent policy decisions will be based.

The Committee's membership balance is not static, and the Secretary of Defense may change the membership based upon work assigned to the Committee by the Secretary of Defense, the Deputy Secretary of Defense, or the USD(P&R), as the Sponsor. The DoD, unless otherwise provided for by statute or Presidential directive, does not use representative members on DoD-established or supported advisory committees.

4. Other Balance Factors: NA

5. <u>Candidate Identification Process</u>: The DoD, in selecting potential candidates for the Committee, reviews the educational and professional credentials of individuals with extensive professional experience in matters relating to the conduct of wage surveys and the establishment of wage schedules for all appropriated and non-appropriated fund wage areas of blue-collar employees within the DoD.

Potential RGE member candidates come from the DoD Components with the largest number of wage employees within the DoD and are identified by senior DoD officials from the Office of the Secretary of Defense, the Military Departments, and the Defense Logistics Agency.

The remaining two candidates represent the two labor organization having the largest number of wage employees covered by exclusive recognition in the DoD. Each labor organization selects one individual to represent it and its stakeholders, to serve as a representative member to the Committee.

With the exception of the labor organization's representatives, once potential candidates are identified, the Designated Federal Officer, in consultation with the USD(P&R), will review the credentials of each individual and narrows the list of candidates. During the review, he or she strives to achieve a balance between the professional credentials of the individuals and the near-term subject matter to be

reviewed by the Committee to achieve expertise in points of view to be represented and functions to be performed.

Once the USD(P&R) has narrowed the list of candidates and before formal nomination to the Secretary of Defense or the Deputy Secretary of Defense, the list of candidates will undergo a review by the Office of the General Counsel for the Department of Defense and the Office of the Advisory Committee Management Officer to ensure compliance with Federal and DoD governance requirements, including compliance with the Committee's statute, charter, and membership balance plan. Following this review, the USD(P&R) discusses his or her potential nominees with the Secretary of Defense or the Deputy Secretary of Defense and requests authority to proceed with the nominations.

The USD(P&R) is authorized to administratively certify the appointment of Committee members that were previously authorized by the Secretary of Defense or the Deputy Secretary of Defense. Consistent with Deputy Secretary of Defense policy and the authority delegated to the Advisory Committee Management Officer (ACMO) by the Assistant Deputy Chief Management Officer, the ACMO is authorized to administratively certify the annual renewal of appointment of Committee members previously approved according to DoD policies and procedures. Consistent with the Deputy Secretary of Defense policy, the USD(P&R) may appoint the Committee's Chair from among the membership previously authorized by the Secretary of Defense or Deputy Secretary of Defense and, in doing so, shall determine the term of service, which shall not exceed the member's approved term of service.

Following the Secretary of Defense or the Deputy Secretary of Defense authorization and the USD(P&R)'s subsequent administrative certification of the appointment, the candidates are required to complete the necessary appointment paperwork, to include meeting the appropriate ethics requirements stipulated by the Office of Government Ethics for advisory committee members.

Members will be appointed for a term of service of one-to-two years. The non-labor organization members shall not serve more than two consecutive terms of service on the Committee or serve on more than two DoD Federal Advisory committees at one time without approval from the Secretary of Defense or the Deputy Secretary of Defense.

Membership vacancies for the Committee will be filled in the same manner as described in the previous eight paragraphs above.

- 6. <u>Subcommittee Balance</u>: The DoD has determined that subcommittees will not be authorized for this Committee.
- 7. Other: As nominees are considered for appointment to the Committee, the DoD adheres to the Office of Management and Budget's Revised Guidance on

Appointment of Lobbyists to Federal Advisory Committees, Boards, and Commissions (79 FR 47482; August 13, 2014) and the rules and regulations issued by the Office of Government Ethics.

8. <u>Date Prepared/Updated</u>: December 7, 2016